

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
October 6, 2022**

BOARD MEMBERS PRESENT: Mel Diffendaffer-Chairman, Dan Mcelley- Vice Chair, Wesley Davis-Secretary, Michael Slauson-Treasurer, and Nick Genova-Director

STAFF MEMBERS PRESENT: Ty Jones, Guy Walker, Jake Lenihan, Jessica Isley, Isaac Brown, Branden Edmonds, and Michelle Obadia

GUESTS PRESENT: Kathleen Curry
Hector Reyes

REGULAR MEETING

Chairman Diffendaffer called the October 6, 2022, Regular Meeting to order at 5:03 p.m.

Guests:

Assistant Manager Lenihan introduced Hector Reyes.

A request for consideration of an Out-of-District water service was presented to the Board by Hector Reyes for a Whitewater parcel #2969-191-00-122 at 3471 Silverstone Dr. Staff reviewed information and identified capacity and delivery concerns. Mr. Reyes has received approval from the Mesa County Planning Department to proceed with the single-family residential lot development. Staff requested Mr. Reyes begin the inclusion process with the District to avoid paying Out-of-District rates for water service.

Mr. Reyes exited the meeting at 5:13 pm.

Manager Jones introduced Kathleen Curry.

Kathleen Curry presented to the Board detailing her services by representing the interests of her clients at the State Capitol when the General Assembly is in session from January-May in addition to monitoring committee activities during the interim on issues related to water resources on the Western Slope. Pending Board approval of the budget, funds have been allocated for Ms. Curry's services.

Ms. Curry exited the meeting at 5:39 PM

MINUTES OF THE September 1, 2022, REGULAR MEETING

Director Mcelley moved to approve the September 1, 2022, Regular Meeting Minutes. Director Slauson seconded, and the motion passed unanimously.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Slauson moved to accept the Financial Report and Approve Accounts Payable Regular Checks of \$244,413.34, plus A/P Mid-Month Checks of \$5,549.89, plus Supplemental Checks of \$48,006.74, plus Benefits Checks of \$25,385.40, plus HRA Disbursements of \$20,697.20, for a total of \$344,052.57. Director Genova seconded, and the motion passed unanimously.

FINANCE DEPARTMENT REPORT

941 Fees - IRS sent a letter asking for more time to review our account. No further information has been provided.

Profit and Loss Update - Due to the new chart of accounts. We will be working with new financial reports. Staff has included an explanation of the new report detailing what account codes make up each line item.

2023 FY Budget- Staff presented the Draft 2023 Budget that was reviewed by the Budget Committee on September 27, 2022. Labor, Wages and Benefits were presented and discussed for each department and reviewed thoroughly and any significant increases or decreases for 2023 were discussed.

Director Mcelley moved to approve an Engineering position be added to staff beginning in 2023. Director Genova seconded, and the motion passed unanimously.

Director Diffendaffer moved to approve the Benefits Package chosen by Staff for the FY 2023 Budget year. Director Mcelley seconded, and the motion passed unanimously.

Director Genova moved to approve Clifton Water District 100% Employer Contribution of Health Insurance Premiums for District Staff. Director Slauson seconded, and the motion passed unanimously.

Director Slauson moved to approve Clifton Water District match contribution to an HSA Account up to \$150.00 per month - \$1800.00 per year. Director Davis seconded, and the motion passed unanimously.

Director Mcelley moved to approve Clifton Water District cover 50% Employer Contribution of Dental Coverage for District Staff. Director Genova seconded, and the motion passed unanimously.

It was the consensus of the Board to offer a Vision Benefits Plan to employees. This coverage is voluntary and will be paid for by the employee.

It was the consensus of the Board to remove the 457(b) 3% Employer match and contribute 6% match to the 401(a) Retirement Account.

Director Diffendaffer moved to set the Budget Hearing for the District's FY 2023 Budget for December 1, 2022, at 5:00 pm authorizing Staff to secure the necessary postings and advertisement. Director Mcelley seconded, and the motion passed unanimously.

CONSTRUCTION DEVELOPMENT REPORT

Project 2021-02 McDonalds/Denny's/Murdoch's Main Line Upgrade/Installation Project

Phase I of this project is currently in progress as of September 19th. This phase is anticipated to be completed by the October Board Meeting. Phase I involves some pipe replacement with a new fire hydrant behind the Murdoch's building.

Project 2022-01 Coffman Road Transmission Line Project

Design continues for the Coffman Road capacity upgrade. Staff met with a property owner and the Elk Run Estates HOA for easements through these parcels for the proposed new water main.

Project 2022-03 Coffman Road Remote Fill Station

Nothing to report different from the September Report. Staff continues to work through the site approval process with the Mesa County Road and Bridge Department and the Mesa County Planning Department.

Project 2022-05.2 Holland Street Line Upgrades

Bid advertising is throughout the month of October. The bid opening is set to take place on October 26, 2022. Bid award recommendations will be presented at the November Board Meeting.

Project 2022-06 Highway 141 (32 Road) 10" Waterline Replacement/ Upgrade Project

Project is currently close to 30% design. A new engineering cost estimate for the project will be available with the 30% design. Survey work and SUE (Subsurface Utility Engineering) is almost complete. Final Design is anticipated for December 2022. CDOT plans on the new 32 Road overlay to begin earlier in June 2023. The plan would be to install the new water line ahead of them as they lay new asphalt. CDOT's projected was originally slated for 2024, however the earlier start is advantageous for the District as well as CDOT. If the water line project is in conjunction with the overlay, that will be a significant cost saving to the District and eliminate the need to patch where the line is installed.

Treatment/Distribution– Assistant Manager Lenihan

Cathodic Protection

Staff discussed several issues with the cathodic protection of the 3.0-million-gallon storage tank. Cathodic protection is an electrical system installed with sacrificial anodes that prevent corrosion on a pipeline or steel structure such as storage tanks. The warranty period for refurbishing the 3.0 MG Tank in 2019 has expired. The protection system is turned on only after the warranty period has expired on the paint coating. District staff along with the contractor for cathodic protection found 23 splices in the cabling that connects to the anodes. This was repaired on the system is now active.

Third Quarter Disinfection By-Products (DBPs)

Staff reviewed results for 3rd quarter Disinfection By-Product samples which were presented in the Manager's Report as well as on the attached quarterly report that is prepared for CDPHE.

MCL for THM's = 80 parts per billion (ug/L)

MCL for HAA5's = 60 parts per billion (ug/L)

Pre-Order of Supplies and Equipment – Staff presented a Staff report (10/06/2022, File, Pre-Order of Supplies and Equipment) recommending Board approval to pre-order proposed FY 2023 budget line items. Due to supply chain delays, placing orders currently will enable timely receipt of items in 2023 as well as utilizing current pricing.

Monthly Report – Assistant Manager Walker

DRIP (Drought Response Information Project)/Drought Update

Assistant Manager Walker presented an Informational Report (11/01/2022 File, Staff Reports, Drought Response Plan 2022) summarizing the current Drought status and DRIP information. Most of Western Colorado is now considered to be in Severe Drought D3.

Caselle Utility Billing Software

The District is in the que to start the next phase of the project. There are six other utilities ahead of the District. Caselle was unable to give staff an approximate start date, but they ensured us that the project should begin very soon.

MANAGER'S REPORT

Manager Jones reviewed the August 2022 Manager's Report (10/06/2022 File, Manager's Report).

CLETC – Manager Jones provided a Staff report (10/06/2022 File, Staff Report, Potable Water Service CLETC) recommending the Board approve a onetime variance allowing water service to be conveyed across parcel lines. This would require the purchase of a multi-residential tap at 70% of the full plant investment fee of \$8500.00. Director Mcelley moved to approve a onetime variance for Colorado Mesa University parcel #2967-021-00-001 to provide water service across parcel lines. Director Genova seconded, and the motion passed unanimously.

Subdivision Review - GVIC Share Requirement Policy– Manager Jones provided a Staff report (10/06/2022 File, Staff Report Subdivision Review GVIC Share Requirement) recommending setting a Policy for all subdivisions being developed and served by the Clifton Water District be required to provide 1 share of GVIC for every 10 lots proposed. For 11 lots, 2 shares of GVIC would be required. Director Mcelley moved to approve the Subdivision Review - GVIC Share Requirement Policy. Director Davis seconded, and the motion passed unanimously. Staff discussed irrigation tap rates that pertain to HOA or common areas in new subdivision developments. A proposal will be presented at the November Board Meeting when 2023 rates are set for the District.

On Call/After Hours Payment Calculation Policy – Manager Jones provided a Staff report (10/06/2022, File, Staff Report On Call/After Hours Payment Calculation Policy) recommending the current calculation for overtime during the on-call duty for Distribution be eliminated. It was recommended to adopt a base rate amount and raise the on-call pay to \$140 for the 7 days (\$20/day) for carrying the afterhours phone. Director Mcelley moved to approve the On Call/After Hours Payment Policy. Director Slauson seconded, and the motion passed unanimously.

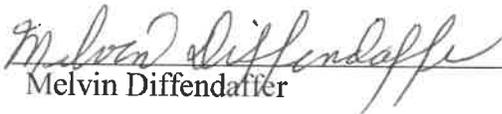
EXECUTIVE SESSION:

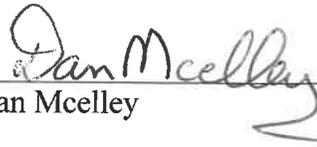
None

ADJOURNMENT

The Regular Meeting was adjourned at 6:50 p.m. by Chairman Diffendaffer.

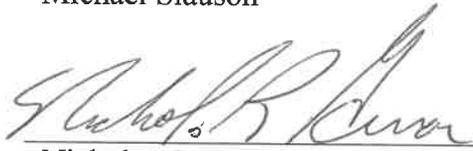
ATTEST:


Melvin Diffendaffer


Dan Mcelley


Michael Slauson


Wesley Davis


Nicholas Genova